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21 May 1969

MEMORANDUM FOR THE RECORD

SUBJECT: Notes from the Contract Review Board Meeting of  
21 May.

1. Jack Blake opened the meeting saying that the Director of Logistics was responding to an earlier meeting in which commitments were made to:

a. Understand the problems which the CRB might address.

b. Identify items mutually interesting to the CRB and the Director of the Office of Logistics, and

c. Provide staff assistance to the Chairman of the CRB.

2. Jack stated that they had wrestled mightily with the problem; felt that they understood it; had identified items which [ ] would later present to the Board; and had arranged for staff assistance to Ben--thus the ball was back in the CRB's court. Jack stated that in selecting items for Board consideration, a very large list had been minimized to those which the D/OL felt were directed to real needs, and for which a solution appeared feasible.

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3. [ ] stated that the card file system which he has been developing in order to evaluate the performance of contractors was "ready for technical input." When I inquired what this technical input would be, it turns out that it is precisely the information now supplied to the CIS, etc. I proposed that [ ] obtain data from prior files without query to the

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Directorates. The other representatives concurred in this. Ultimately, appraisal data should be retrievable from the CIS/SIPS. [ ] suggested that [ ] propose a list of contractors to be evaluated so that some selection might be made before this onerous task is undertaken.

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4. I cited the two recent memoranda inferring that the Chairman of the CRB would evaluate/surveil the actions of contract teams, etc. , and said that I felt that this was an improper role for the CRB--hence the Chairman. It was recognized, however, that if the Director of O/L wished to have [ ] do this as a Special Assistant, this was an entirely different matter. [ ] agreed to discuss this with Blake. The other Directorates concurred that this was not a proper Board function.

5. After discussing a few current contract cases, [ ] presented the "soul-searched" list of items for Board consideration:

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- a. Continuing study of causes and remedies of over-runs.
- b. An on-going and reflective study of incentives in contracting.
- c. Consideration of the costs of R&D and the effects of inflation. (Blake appears to be especially interested in this).
- d. Study on patent rights and data leading to the development of Agency policies and procedures in this area.
- e. Explore contracts where policy questions are involved. [ ] case study, for example).
- f. Identify relationships worthy of a [ ]-type study.

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cc: [ ]

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